IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

COMPANY PETITION No. 140 of 2006

For Approval and Signature:

HONOURABLE MR.JUSTICE M.R. SHAH

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1 Whether Reporters of Local Papers may be allowed to see the judgment ?

2 To be referred to the Reporter or not ?

3 Whether their Lordships wish to see the fair copy of the judgment ?

4 Whether this case involves a substantial question of law as to the interpretation of the constitution of India, 1950 or any order made thereunder ?

5 Whether it is to be circulated to the civil judge ?

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B.I.F.R. - Petitioner(s)
Versus
CMD M/S. SUPERIOR SOX LTD. & 7 - Respondent(s)

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Appearance :
Board Opinion for Petitioner(s) : 1,
NOTICE SERVED for Respondent(s) : 1,3 - 4,6 - 7.
MR CZ SANKHLA for Respondent(s) : 2,
NOTICE NOT RECD BACK for Respondent(s) : 5,
NOTICE UNSERVED for Respondent(s) : 8,

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CORAM : HONOURABLE MR.JUSTICE M.R. SHAH
Date : 13/11/2006

ORAL JUDGMENT

This company petition arises from the Opinion recorded by the Board for Industrial and Financial Reconstruction [BIFR] dated 20th June

2006 under Section 20(1) of the Sick Industrial Companies (Special Provisions) Act 1985 [hereinafter referred to as 'SIC Act'] opining that M/s. Superior Sox Ltd., be wound up.

2. It appears from the record that, by order dated 20.6.2006 the BIFR formed an opinion that the Company was not likely to make its net-worth exceed its accumulated losses within a reasonable time while meeting all its financial obligations and as a result thereof was not likely to become viable in future and hence it was just, equitable and in public interest that it should be wound up under Section 20(1) of the SIC Act. By communication dated 8.8.2006 the Opinion was forwarded to this Court along with copies of relevant proceedings for further necessary action in accordance with law which was registered as 'Company Petition No. 140 of 2006'. By order dated 21.8.2006, this Court directed to issue notice to all concerned parties. Mr. Purvish

Malkan, learned Addl. Central Government Standing Counsel appears on behalf of respondent No.4; and Shri CZ Sankhla, learned advocate appears on behalf of respondent No.2. Though served, nobody appears on behalf of respondent No.1 Company. Nobody has raised any objection against winding up of the respondent Company. No counter is filed opposing the Company Petition. Considering the circumstances stated hereinabove and the Opinion formed by BIFR and having gone through the order/proceedings drawn by the BIFR dated 20.6.2006, the present Company Petition is required to be allowed and the respondent No.1 Company, i.e., M/s. Superior Sox Ltd., is ordered to be wound up.

3. For the reasons stated above, the present petition is allowed. The respondent No.1 Company, i.e., M/s. Superior Sox Ltd., is directed to be wound up. The Official Liquidator, attached with this Court, is

appointed as 'Official Liquidator' for the said Company. The Official Liquidator is hereby asked to take possession of the properties [moveable and immoveable] of the respondent Company along with its Bank accounts, cash and account books etc. If IDBI as Secured Creditor has taken over possession of all the assets of the Company and had taken any steps to sell the properties of the Company [in liquidation] pursuant to the direction issued by the BIFR, in that case the Official Liquidator is directed to see that the amount realised by the IDBI by selling the properties of the company [in liqn.] be deposited with the Official Liquidator in the account of the Company [in liqn.] and submit the report before this Court accordingly. If possession of any of the properties of the Company [in liqn.] is not taken over by IDBI pursuant to the order passed by the BIFR, in that case the Official Liquidator to take possession of the properties immediately and submit a report before this

Court. The Official Liquidator shall submit his report within a period of 3 months. If required, he can take services of Official Valuer for preparation of Possession Note etc. This Company Petition is accordingly disposed of. No costs.

[M.R. Shah, J.]

RMR.